

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 925 - SB 781

February 18, 2019

SUMMARY OF BILL: Abolishes all responsibilities from the Commissioner of the Department and Labor and Workforce Development (DLWD) of anything relating to mine rescue operations.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - \$63,400

Decrease Federal Expenditures - \$23,000

Other Fiscal Impact – There will be a decrease of other funds in the amount of \$13,100, but these funds have not been identified by the department.

Assumptions:

- Currently, the DLWD has one mine rescue station and two mine rescue teams that are trained and equipped to respond to mine emergencies such as, but not limited to, fires or explosions.
- Based on information included in the *Department of Labor and Workforce Development and Related Entities Performance Audit Report* dated October 2018, there are three full-time positions and thirteen part-time positions budgeted for the mine rescue team members.
- Further, the Governor's FY2018-2019 Budget Document included a total of four full-time positions and fifteen part-time positions.
- Based on information from DLWD, it is assumed the three full-time positions will remain with the Mines Division to meet the training and other requirements of the Division that is not being abolished.
- For the purposes of this analysis, it is assumed the 15 part-time positions will be abolished.
- Currently, payroll for this Division includes \$285,300 for salaries; and of that amount approximately \$200,760 is for the four full-time positions. It is assumed the remaining \$84,540 (\$285,300 - \$200,760) is for the part-time employees.
- It is estimated that an additional \$15,000 in operational expenditures for the Division are used in the operation of the mine rescue team.
- The total reduction in expenditures is estimated to be \$99,540 (\$84,540 + \$15,000).

- Based on the Governor's FY2018-2019 Budget Document, approximately 63.68 percent is state funds, 23.13 percent is federal funds, and 13.19 percent is other funds. Applying these same percentages to the reduction in expenditures will result in the following:
 - Decrease in state expenditures of \$63,387 ($\$99,540 \times .6368$);
 - Decrease in federal expenditures of \$23,024 ($\$99,540 \times .2313$); and
 - Decrease in other expenditures of \$13,129 ($\$99,540 \times .1319$).

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- Eliminating mine rescue from the responsibilities of DLWD will not have any significant impact on commerce or jobs in Tennessee because any jobs impacted within the DLWD are assumed to shift to other entities willing to provide mine rescue services following passage of this legislation.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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